

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7660

Joint petition of Vermont Marble Power Division of)
Omya, Inc. ("VMPD") for consent to sell, and Central)
Vermont Public Service Corporation to purchase, certain)
assets of VMPD, and approval of certain other related)
matters, including revocation of VMPD's Certificate of)
Public Good)

Order entered: 9/16/2011

ORDER RE DOCKET NO. 6270 BILL CREDITS

On September 9, 2011, Vermont Marble Power Division of Omya, Inc. ("VMPD") filed a request with the Public Service Board ("Board") to approve certain proposed payments by VMPD in lieu of providing an annual bill credit this year to each of its retail customers as required in connection with a series of Orders issued by the Board in 2003 in Docket 6270.¹ As provided in these 2003 Orders, the Board directed VMPD to provide annual bill credits to each of its retail customers in an aggregate amount equal to VMPD's annual share of the monetary benefits of a settlement between Vermont distribution utilities and certain power suppliers that are Qualifying Facilities under the Public Utility Regulatory Policies Act of 1978. In its September 9 filing, VMPD reports that it has complied with the Board's directive in Docket 6270 since its issuance.

VMPD issued its final bills to customers on September 1, 2011, following the closing of the sale of its distribution assets to Central Vermont Public Service Corporation on that date. However, VMPD states that "it was not possible for VMPD to determine and issue annual bill credits to satisfy the 6270 Order on the basis of VMPD's established and approved procedure, i.e.

1. Docket 6270, *Investigation into petition of 14 Vermont electric utilities for alteration, modification and construction of power purchase agreements between qualifying facilities and Vermont Electric Power Producers, Inc., and for Amendment of Vermont Public Service Board Rule 4.100*, Order of 1/13/03 at 41 Order of 6/9/03 at 6-8 & 23, and Order of 7/10/03 at 2-3.

a credit on customer bills for the month following the period for which calculations were made." As a result, these annual bill credits were not included on VMPD's final customer bills.

The aggregate amount of all such credits due VMPD retail customers is \$691.55. Except in the case of one customer, Vermont Quarries Corp. in Danby ("Danby Quarry"), that is entitled to a credit of \$116.41, VMPD states that the costs of calculating the amount of credits due each customer and hand preparing checks ("in most instances amounting to mere pennies") would be greater than the amount of the payments to other customers.²

Instead of making payments to retail customers (other than the Danby Quarry), VMPD proposes to make a payment of \$575.14 to the Town of Proctor to be used for some purpose "that otherwise would have to be paid for by the taxpayers of the Town." VMPD notes that retail customers of VMPD are located principally in Proctor and that Proctor taxpayers "by and large are also ratepayers of VMPD."

The Vermont Department of Public Service and the Town of Proctor concur with VMPD's proposal.

Based on the foregoing, the Board approves the payment of the sum of \$575.14 to the Town of Proctor to be used for a purpose that benefits taxpayers and the payment of the sum of \$116.41 to the Danby Quarry in lieu of the annual bill credits that would be due to each retail customer of VMPD under the Board's Order of July 10, 2003, in Docket No. 6270.

2. The Board in Docket 6270 previously considered the relative costs and benefits of making actual payments of small credit amounts. In its Order of June 9, 2003, the Board rejected a proposed requirement that VMPD be required to mail checks to former customers of VMPD due a credit. The Board concluded that such a requirement would not be justified in light of "the size of the typical annual credit" and "the administrative expense involved in mailing checks." Docket. 6270, Order of 6/9/03 at 8.

Dated at Montpelier, Vermont, this 16th day of September, 2011.

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| <u>s/James Volz</u> |) | |
| |) | PUBLIC SERVICE |
| |) | |
| <u>s/David C. Coen</u> |) | BOARD |
| |) | |
| |) | OF VERMONT |
| <u>s/John D. Burke</u> |) | |

OFFICE OF THE CLERK

FILED: September 16, 2011

ATTEST: s/Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)